Sec. 1 32 V.S.A. § 9741 is amended to read:

§ 9741. SALES NOT COVERED

Retail sales and use of the following shall be exempt from the tax on retail sales imposed under section 9771 of this title and the use tax imposed under section 9773 of this title:

* * *

(12) Motor vehicle purchases and use taxed under chapter 219 of this title and the transactions exempted therefrom that are listed in section 8911 of this title. Provided, however, that notwithstanding subdivision 8911(5) of this title, construction, earthmoving, ~~logging,~~ and motorized equipment that has not been registered as a motor vehicle is subject to tax under this chapter, and further provided that power take off and other auxiliary equipment on motor vehicles, whether attached prior to or subsequent to registration, is not exempt under this section, except for equipment exempt under subdivision (51) of this section. Motor vehicle parts purchased by a dealer registered under the provisions of 23 V.S.A. §§ 451–468 shall be exempt from the tax under this chapter when used to recondition a used motor vehicle owned by the dealer in its inventory for resale.

* * *

(51) The following machinery, including repair parts, used for timber cutting; timber removal, and processing of; and transportation of equipment, timber, or other solid wood forest products intended to be sold ultimately at retail: skidders with grapple and cable; feller bunchers; cut-to-length processors; forwarders; delimbers; loader slashers; log loaders; whole-tree chippers; stationary screening systems; firewood processors, elevators, and screens, semi-trailers, tractors, truck cranes, truck tractors, trailers, and motor trucks and motor vehicles with a manufacturer's listed gross vehicle weight of 10,000 pounds or more; and when sold for use on any machinery listed under this subdivision, traction enhancement accessories, tire chains, track systems, and winch cables. The Department of Taxes shall publish guidance relating to the application of this exemption. The Department of Taxes may require a purchaser at the time of purchase to certify that a motor vehicle or other equipment is exempt under this section. As used in this subdivision, "motor vehicle" has the same meaning as in 23 V.S.A. § 4(21) and "motor truck" has the same meaning as in 23 V.S.A. § 4(20).

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Sec. 4. EFFECTIVE DATE

This act shall take effect on July 1, 2026.